FACTS ON FILE
WORLD NEWS DIGEST WITH INDEX

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WORLD AFFAIRS

NATO COUNCIL

To Study NATO Extension

The North Atlantic Council (Forgn. Mins. of 15 NATO nations), which met in Paris May 4-6, named a committee popularly called the "3 Wise Men"* (Canadian External Affairs Secy. Lester B. Pearson, Italian Forgn. Min. Gaetano Martino, Norwegian Forgn. Min. Halvard M. Lange) May 6 to "advise the council on ways & means to improve & extend NATO cooperation in nonmilitary fields & to develop greater unity within the Atlantic community." [See p. 135E3-136A1]

A communiqué on the meeting May 6 reviewed the growth of Western strength that had "successfully deterred Soviet aggression in Europe." It said that, pending a report by the 3 Wise Men (expected next fall), the council would make "periodic studies of the political aspects of economic problems . . . strengthen economic cooperation between member countries" & "examine economic problems" along lines of a plan offered by French Forgn. Min. Christian Pineau for channeling aid to underdeveloped areas through a UN fund & international agency for world development. [See p. 151A1]

Exclusion of Arms Role Opposed

U.S. State Secy. John Foster Dulles had urged the NATO Council May 4 to study ways to meet the Soviet tactical shift to economic warfare in underdeveloped areas. He asked that NATO undertake a 2d 10-yr. plan under the North Atlantic Treaty's Art. II providing for nonmilitary measures. He reportedly told the council May 4 that the U.S. could not commit itself to one plan for handling economic aid & opposed conversion of NATO into an economic aid organization. NATO Secy. Gen. Lord Ismay said in pre-conference talks May 2 among Dulles, Pineau & British Forgn. Secy. Selwyn Lloyd that the proposed expansion of NATO functions could only be complementary to the alliance's military role. Lloyd reportedly said that NATO should not carry economic aid activities into the Middle East or Southeast Asia as both areas were covered by the regional Colombo & Baghdad (METO) Pacts. (Pearson of Canada had backed the plans for NATO expansion in a London speech Apr. 30, but had rejected proposals for direct economic aid to underdeveloped areas.) [See p. 135E3-136A1]

Dulles Proposes NATO Cabinet

Paris reports May 6 said Dulles had urged that the Council create a permanent high-level NATO Cabt. to coordinate political planning among NATO nations, reportedly on problems such as Cyprus, North Africa & the Middle East. Several NATO members were said May 7 to be reluctant to place their international problems in the hands of a NATO Cabt., but the Com. of 3 Wise Men was said to be studying the plan.

Agree Mid-East Pledge Outmoded

(Pineau said May 6 that he, Dulles & Lloyd had agreed that the U.S.-British-French tripartite declaration of 1950 guaranteeing Israeli-Arab frontiers, no longer could be used as a basis for action in case of Middle East aggression. Pineau said action now could be taken only through the UN Security Council.) [See p. 117F3, 133E2, G3]

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West German Forgn. Min. Heinrich von Brentano & British leaders, meeting in London May 1-3, agreed that West Germany would assume barracks & labor costs for NATO forces in Germany pending resumption of talks in Bonn on a formal NATO-support cost agreement [see p. 126E2]. Britain had reportedly counted on West German payments of £50 million ($140 million) for upkeep of British forces in 1956-57. An Anglo-German communiqué issued as Brentano ended his London visit May 3 said "there can be no real security in Europe so long as a division of Germany lasts." Brentano & the British reportedly agreed May 1 not to open unilateral talks on German unification with the USSR or East Germany [see p. 126E3-127A1]. Paris reports said May 2 that the French Govt. had shifted policy on German unity & had informed Britain, the U.S. & West Germany that it favored a simultaneous approach to the disarmament & German unification questions. [See p. 118E2-B3] . . . Franco-Italian statement, issued in Paris Apr. 27, at the end of a 3-day state visit by Italian Pres. Giovanni Gronchi & Forgn. Min. Gaetano Martino, said Italy & France had agreed on basic policies for German unification & disarmament and would favor the NATO expansion plan. Gronchi said in Rome Apr. 29 he had pressed for Franco-Italian unity as a basis for a "3d force" to help create "equilibrium between the 2 great blocs." [See p. 75D3]

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*A NATO "3 Wise Men" Com. formed in 1951 to report on European production, arms coordination & NATO policy on Germany: Jean Monnet (France), W. Averell Harriman (U.S.), Hugh Gaitskell (Britain; later replaced by Sir Edwin Plowden). [See Vol. XI, p. 403P-404A]

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Week in Headlines

International

NATO Council named group to study expansion of treaty organization's non-military functions.

Hammarsjköld ended Palestine mission, reported cease-fire arrangements strengthened.

Arab-Asian-African bloc demanded UN intervene in Algeria.

UN Disarmament talks ended with deadlock unbroken.

United States

Eisenhower rejected proposals for shifting U.S. foreign aid program to UN, endorsed OTC.

Wilson, Eisenhower denied U.S. slipping behind USSR in air power, said critics overemphasized B-52.

Lawyer Murray M. Chotiner, ex-campaign aide to Nixon, investigated over alleged attempts to use White House influence for clients dealing with Govt.; President denied wrongdoing by aides.

Johnson won contest with Shivers for Texas Dem. control.

Pulitzer prizes awarded.

Needles won Kentucky Derby.

MIDDLE EAST

UN Secy. Sees Truce Firmer

UN Secy. Gen. Dag Hammarskjöld, in a "progress report" from Jerusalem May 3 on his Palestine peace mission, said cease-fire "assurances" given him by the Israeli & Egyptian Govts. had "served to relieve the threatening situation in the Gaza area." He said conditions there had "considerably improved as a result of strict orders issued by the 2 Govts." Apr. 10 [see p. 133B1]. He reported also that his negotiations on observance of the Israeli armistice agreements with Jordan, Syria & Lebanon "have in all cases been concluded with positive result." [See p. 133B1-C2]

Hammarskjöld said previous cease-fires had been "established locally, or between military commanders," whereas he had secured "a reaffirmation by the Govts. to comply unconditionally with the fundamental clauses of the [armistice] agreements."

Hammarskjöld returned to UN Hq. in New York May 6, one month after leaving on his mission [see p. 117B1]. He talked with Israeli Prime Min. David Ben-Gurion in Jerusalem & Syrian Premier Said Ghazzi in Damascus May 2, & with Egyptian Premier Gamal Abdel Nasser in Cairo

REFERENCES in brackets give location of background information in this & preceding volumes of FACTS ON FILE with Cumulative Index.

May 3 en route to Rome, where he worked until May 5 on a forthcoming final report to the Security Council.

River Project in Dispute

Hammarskjöld reportedly told Ben-Gurion & Israeli Forgn. Min. Moshe Sharett May 3 that a resumption of work on Israel's Jordan River irrigation project on the Syrian frontier would violate a 1953 Security Council resolution asking suspension of the work. The Israeli leaders were said to have replied that the 1953 resolution, which promised "urgent examination" of the dispute, had not been acted upon & no longer was binding. (The Lebanese press May 4 accused Syria of having broken promises to Jordan & Syria by accepting a truce without a written Israeli pledge not to resume work on the project. Syrian Premier Ghazzi & Lebanese Premier Abdullah Yafi met in Beirut May 4 & issued a statement that "our attitudes are coordinated.") [See p. 142D3]

Frontier Clashes Continue

A Jordanian infiltrator was killed by an Israeli patrol in the Mt. Gilboah area May 4. Israel & Egypt charged that the Gaza truce had been broken by at least 5 incidents (no casualties) May 7, most involving gunfire exchanged by patrols & border violations by armored cars. Israel also said May 7 that Jordanian machine-guns had fired from posts in the Jerusalem Old City. Sharett protested the incidents in a cable to Hammarskjöld May 8.

Israel May 2 released a Royal Dutch Airlines plane & its Dutch crew intercepted by Israeli fighters & forced to land in the Negev May 1. An Egyptian AF man aboard the plane was reported detained by Israel.

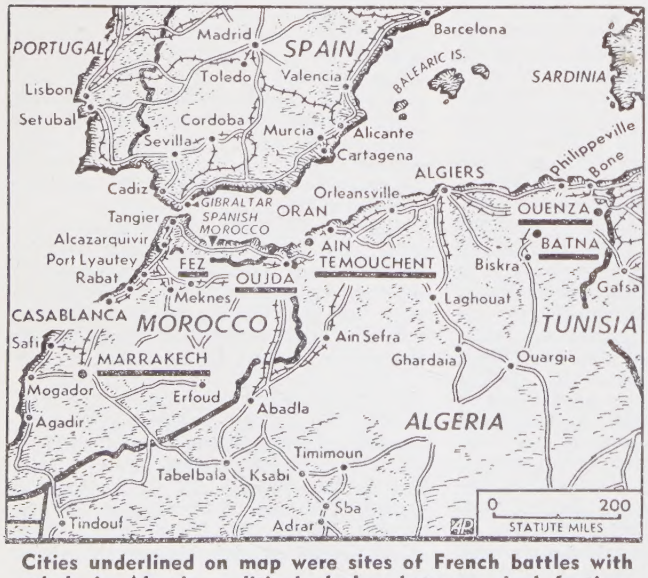
U.S. Policy Developments

State Secy. Dulles told a B'nai B'rith meeting in Washington May 8: since the USSR "seems to be at least increasingly aware of the dangerous consequences of reckless action [in the Mid-East] & has indicated that it, too, would be prepared to support a solution through the UN," there were "grounds for hope that it may be possible to maintain the momentum now established by Hammarskjöld [see p. 142F3]. Adm. Ephriam R. McLean Jr., the U.S. 6th Fleet's 2d Cruiser Div. Cmndr., told a press conference aboard the cruiser *Albany* in Haifa harbor May 8: the fleet's "basic mission" was to "be ready to take instant naval action in case of an emergency in which the security & freedom of our friends are jeopardized." He said "our friends" were "everyone who wants to be friends with us."

Reports attributed to Washington diplomatic sources May 8 said Dulles had told the NATO Council in Paris [see p. 149B1] that the U.S. would not sell arms to Israel but would permit allied nations to divert offshore procurement program materiel to fill Israeli arms requests. (Canadian External Affairs Secy. Lester B. Pearson said in Ottawa May 8 there was "no foundation" to reports that Canada had agreed to sell Israel 36 F-86 Sabrejets.) [See p. 125D3]

OTHER WORLD NEWS

Algeria. A meeting of the UN Arab-Asian-African bloc in New York May 2 heard a Pakistani recommendation that Secy. Gen. Dag Hammarskjöld intervene in the Algerian struggle & a report that 100,000 Algerians had been killed during the 18 mos. of revolutionary strife. The bloc informed France via the UN May 4 of its anxiety over Algeria, and its spokesman (U Win of Burma) discussed the Algerian situation with Hammarskjöld May 8. [See p. 136C1-A2] . . . Reports on Algerian fighting [see map]: 50 rebels were killed in the Bône, Constantine & Algiers areas May 1-2; a French captain & 11 Algerian riflemen killed when rebels attacked a French convoy near Tlemcen and 5 Moslems & 6 Europeans killed in other Algerian clashes May 4; 73 rebels killed May 5, 20 May 6 near Ouenza; 18 Europeans (3 women) & 5 Moslems killed when rebels raided 47 French farms in the Ain Temouchent area May 6-7, and 150 rebels killed in a retaliatory French offensive in the area May 7; 22 Europeans & 27 Moslems killed, 5 Europeans & 4 Moslems kidnapped by rebels in other Algerian clashes May 7; 6 French farms burned, 35 rebels killed in fighting in the Bougie, Tlemcen & Constantine areas of central & eastern Algeria May 8. [See p. 136B2] . . .



Cities underlined on map were sites of French battles with rebels in Algeria, political clashes between rival factions in French Morocco. Wide World

Resident Min. Robert Lacoste, State Secy. for Algeria Marcel Champeix & Mayor Jacques Chevallier of Algiers were rained with tomatoes by an angry crowd—said to consist largely of war veterans & students—during VE Anniversary ceremonies in Algiers May 8. Algiers students had been on strike since May 4 against a Govt. decree making Arabs eligible for ⅔ of Algerian civil service posts [see p. 118D2]. Lacoste denounced the tomato-throwing incident in a radio broadcast later May 8. He said French security forces in Algeria would reach 330,000 men by June 1 and that he would ask for 40,000-50,000 more French troops. [See pp. 136C2, 127C2] . . . Algerian Moderate leader Ferhat Abbas said in Cairo Apr. 25 he had joined the exiled Natl. Liberation Front because "all forces for the liberation of North Africa are one." He said Algerians were willing to negotiate for peace but that France must "disengage her military forces & evacuate them from North Africa." [See p. 136A-C1]

French Morocco. Rioters in Marrakech May 2-3 killed, burned & mutilated the bodies of 22 persons, 18 of whom were followers of the late Thami el-Glaoui, Pasha of Marrakech [see p. 32B1]. 14 French Senegalese soldiers were kidnapped by a force of Moroccans May 7 near Fez. French High Comm. André L. Dubois threatened to order a military search for the captives. [See p. 90G1]

Disarmament. UN Disarmament Subcomm. negotiations ended in deadlock May 4 in London after Soviet Dep. Forgn. Min. Andrei A. Gromyko May 3 again rejected Pres. Eisenhower's "open sky" aerial inspection plan [see p. 135A2]. A statement issued by the U.S., Britain, France & Canada May 4 blamed the USSR for refusing to accept adequate arms control & inspection mechanisms [see p. 109B1-D3]. U.S. delegate Harold E. Stassen said in London May 5 there was increasing danger that a scientifically-expert smaller power would master H-bomb production techniques, possibly within a year, before accord had been reached on nuclear controls [see p. 143C3-144B1]. Stassen returned to the U.S. May 6 & reported to Pres. Eisenhower May 7. Washington dispatches said he told the President that the USSR was planning a sizeable cut in her armed forces; the President told Stassen to continue "patiently & consistently to seek a sound agreement . . . with the Russians." Stassen told the press May 8 he would work for preliminary "safeguarded semi-disarmament." (London reports May 2-4 said Soviet Premier Bulganin & CP First Secy. Khrushchev had told British leaders during their recent talks in London that the USSR would reduce its army despite the UN disarmament deadlock.) [See p. 141E1-C2]

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THE PRESIDENT

Opposes More Aid Through UN

Pres. Eisenhower told reporters May 4 that the U.S. should not transfer any substantial part of its foreign aid program to the UN, as proposed by Amb.-to-UN Henry Cabot Lodge Jr. [see p. 143F2] & Adlai E. Stevenson. [See p. 137A3]

"Theoretically," the President said, "doing everything through an international body . . . would put all aid where it was needed, should do the most good in the world, would remove any chance of [international] politics entering the subject." "As of today," however, because of "the character & the difficulties" of the UN, "you couldn't keep out politics." Therefore, he declared, "our efforts. . . must be done largely on a bilateral or . . . association basis."*

"We have shown our adherence to the principle" of acting through the UN, Mr. Eisenhower said. "Our 1956 . . . voluntary contributions . . . entirely aside from our budget in the maintenance of the United Nations, is something over $71 million, I believe, far in excess of what anybody else puts in." [See p. 143A-E1]

Mr. Eisenhower, reporting to Congress May 7 on July-Dec. 1955 foreign aid, revealed that the U.S. had distributed about $900 million worth of military aid items to free-world nations during the period and that total military aid during the past 6 years exceeded $12.4 billion. The U.S.' contribution to NATO states in 6 years amounted to about 15% of those states' military expenditures.

(Chrmn. Harry F. Byrd [D., Va.] of the Joint Com. on Reduction of Non-Essential Fed. Expenditures reported May 3 that $6.6 billion was available in unexpended foreign aid appropriations from previous years.)

Hollister Defends Program

Intl. Cooperation Dir. John B. Hollister defended the $4.9 billion Eisenhower foreign aid budget, and in particular its $3 billion military section, at a Senate Forgn. Relations Com. hearing May 7. These requests for fiscal 1957 compared with a $2.7 billion aid appropriation, $1 billion of it military, for fiscal 1956. Hollister revealed that $530 million of the arms increase would be used to provide "advanced weapons" for U.S. allies—40% of it for NATO.

Hollister said the Admin. had to request the increased funds to compensate for cuts in 1955-56. He said it would refill the pipeline and maintain military aid shipments at $2½ billion a year.

Hollister insisted that flexibility in aid spending, as requested by the President, was "essential" because of "the constantly changing situation in the Middle East & Asia." Despite increased Soviet "emphasis on economic overtures," there was "no indication that the danger of military aggression is over," he said. Soviet economic moves were a challenge to U.S. programs, which must be "well adapted" to counter them lest some African & Middle Eastern nations "take a calculated risk of Communist penetration," he said. [See p. 143D2].

During the hearing, Sen. Hubert H. Humphrey (D., Minn.) criticized Admin. spokesmen for stressing "the importance of meeting the Soviet economic offensive" yet "asking for more military, not for more economic aid." He speculated that the Admin. desire for more flexibility in aid spending might be a substitute for planning and that the $100 million request for long-term aid might be a bid for "backdoor authorization" of more money.

Sen. Walter F. George (D., Ga.), committee chairman, wrote to Defense Secy. Charles E. Wilson May 7 for an explanation of Admin. pricing policies under which, it was said, the Defense Dept. billed the aid program for as high as 170% of the fair value of military items.

Senators Laud Point 4

A Senate Forgn. Relations subcommittee, headed by Sen. Mike Mansfield (D., Mont.), reported unanimously May 5, after an 18-mo. study in the U.S. & overseas, that "most of the money" spent in the Point 4 (technical aid) program "has produced results in the national interest" of the U.S.

The report concluded that "the results . . . justify further investment; indeed, the dividends already made will not be fully realized unless the program is continued." Continuation at the current rate of about $127½ million a year was recommended.

The report said U.S. aid programs "are more likely to be effective if they are carried out on their own merits to achieve American objectives than if they are pressed primarily as counteracting to Soviet moves." It mildly criticized the Truman & Eisenhower Admins. for overemphasis on anti-communism and, particularly in Asia, for overaccenting the military. [See Vol. XV, p. 147F3]

(Senate GOP leader William F. Knowland [Calif.] declared at a Rotary luncheon in New York May 3 that other nations' friendship "cannot be purchased" and that technical & economic aid should be without political strings. He also warned against being trapped "into a situation where we are outbidding the Soviet Union." He suggested using foreign aid to encourage private U.S. investment abroad.) [See p. 18D1]

Backs Pro-OTC Report

Pres. Eisenhower opened his May 4 press conference by lauding the report of a 4-man advisory committee that "strongly" urged U.S. membership in the proposed Org. for Trade Cooperation as "clearly . . . in our enlightened self-interest." The committee had reported earlier May 4 after observing tariff negotiations in Geneva of the 35-nation General Agreement on Tariffs & Trade, which planned to set up the OTC. The committee said U.S. representatives bargained in "the best Yankee tradition" and "insisted on obtaining concessions of full value for each U.S. concession.

Committee members: Elliott V. Bell, executive committee chairman, McGraw-Hill Publishing Co.; Homer L. Brinkley, executive vice pres., Natl. Council of Farm Cooperatives; Bryant Essick, pres., Essick Mfg. Co. (Los Angeles); Stanley N. Ruttenberg, AFL-CIO research director.

(The American Tariff League announced in New York May 6 that 488 companies & associations and 16 labor union locals had signed petitions urging Congress to bar U.S. membership in the OTC and demanding that the GATT be submitted to Congress "in accordance with the treaty-making provisions of the Constitution." The petitions said OTC membership would: impair Constitutional rights of petition & redress by subjecting "tariff policy & foreign commerce . . . to determinations by an international agency"; limit Congress' Constitutional powers to tax and to regulate foreign commerce. Among signers: Diamond Match Co., Eagle Pencil Co., Endicott Johnson Co., Fuller Brush Co., Gen. Time Co., Intl. Silver Co., Natl. Wool Growers Assn., Vanadium Corp. of America.) [See p. 113F2]

(The U.S. Chamber of Commerce's 44th annual meeting in Washington voted, 227-163, May 2 for a poll of the USCC's 1,700,000 members on a pro-OTC statement endorsing U.S. participation in international trade groups if the U.S. did not yield "sovereignty to control or domination by any supranational organization.")

CONGRESS

Chotiner Impropriety Denied

Murray M. Chotiner, 46, Los Angeles attorney & Vice Pres. Nixon's 1952 campaign manager, told the Senate Investigations Subcom. May 3 that he had called on 2 White House aides for routine assistance for 2 airline clients with cases pending before the CAB. But Chotiner insisted that this was perfectly proper. He denied ever using Nixon's name or prestige on behalf of his clients or ever discussing his cases with Nixon.

Chotiner identified the 2 White House officials as Maxwell M. Rabb, secy. of the Cabinet, and Charles F. Willis Jr., ex-patronage aide.

White House Press Secy. James C. Hagerty later May 3 issued a statement saying Chotiner had questioned Willis about a case involving North Amer. Airlines & had queried Rabb about a Calif. Central Airlines case but that both airlines lost their cases.

Eisenhower Defends Aides

Pres. Eisenhower said at his press conference May 4 that there was "absolutely no grounds" for believing any White House aide had violated his "often repeated" order that anybody trying to use influence to get a Govt. favor was "to be thrown out instantly." Since both of Chotiner's clients lost their cases, "any connection he had with the White House [did not] benefit him one bit," Mr. Eisenhower said. If he ever found anybody in the Govt. granting a favor through influence,

*Sen. Leverett Saltonstall (R., Mass.) warned in a speech at MIT May 6 that if U.S. aid were distributed through the UN, "we would, in all likelihood, lose a great measure of our control of the funds." [See p. 66A1]

"that individual would be gone," the President declared.

(Mr. Eisenhower said the above order was the 2d of 2 he had given executive officials. The first: anybody coming to the Govt. with a problem was "assured of courteous treatment" and put "in touch with the right officials"; "I will not stand for arrogance [in] Govt. officials.")

Govt. Contracts Involved

Chotiner had been subpenaed by the Senate Investigations Subcom. Apr. 25 after his name cropped up in a subcommittee inquiry into alleged bribery, misappropriation & other frauds in connection with Govt. contracts for armed forces uniforms.

It was revealed at subcommittee hearings Apr. 24 that Chotiner had received a $5,000 fee in 1953 from the A-C Clothing Mfg. Co. (Atlantic City, N.J.), which was owned by Samuel Kravitz & his son, Herman Kravitz.

Chotiner had been hired as counsel to the younger Kravitz after the latter's arrest in Nov. 1952 for alleged irregularities in connection with Govt. uniform contracts. Kravitz was convicted & fined $5,000 Nov. 15, 1954 on charges of misappropriating $13,400 worth of Govt.-owned fur that had been supplied for parka hoods for Arctic troops. The Kravitzes & George Klass, the elder Kravitz' son-in-law & the younger's brother-in-law, were barred from further Govt. contracts, but it was reported that they had financial interests in companies that later were awarded Govt. contracts.

Murray M. Kimmel, Monticello, N.Y. accountant who had worked on the A-C Clothing books, testified Apr. 24, when asked why the East Coast firm had sought a West Coast lawyer: "I heard . . . he was an influential person . . . [and] had achieved success in . . . Govt. investigation in the handling of Govt. property."

After Chotiner's name entered the inquiry, Sen. Joseph R. McCarthy (R., Wis.), a subcommittee member, told reporters Apr. 24 of Chotiner's connection with Nixon. (Chotiner had aided Nixon's 1946 Congressional campaign and had managed his 1950 Senatorial & 1952 Vice Presidential campaigns [see Vol. XII, p. 320J]. He had helped Senate GOP leader William F. Knowland's 1946 & 1952 campaigns and had lectured on campaign technique for the Republican Natl. Com. at a "campaign school" for GOP state chairmen in Washington in Sept. 1955 [see Vol. XV, p. 303G2] and at a GOP leaders' parley Apr. 16-17.)

Chotiner on Nixon, Clients

Chotiner, testifying May 3, said he had used Nixon's Capitol office for political business but never for his own business. He said he had represented Nixon in selecting members of California's delegation to the Republican Natl. Convention.

Chotiner testified that clients for whom he had taken cases to the Justice Dept. included: (a) the Kravitzes, from whom he had received a total of $7,000, of which $1,000 was for bringing Herman Kravitz' "problems" before the Justice Dept.; (b) Joseph (Joey) Abrams, Great Neck, N.Y. clothing manufacturer who had invoked the 5th Amendment repeatedly in earlier subcommittee questioning in the uniform contract inquiry; (c) Marco Reginelli, from whom he received a $1,000 fee for deportation & citizenship proceedings (subcommittee counsel Robert F. Kennedy described Reginelli as "the top hoodlum in the New Jersey & Philadelphia area").

Chotiner said he had been introduced to the Kravitzes by William A. Parzow of Miami, convicted jury fixer who invoked the 5th Amend. May 3 in refusing to testify about his contracts with Chotiner & the Kravitzes or about $74,696 in checks made out by the Kravitzes & endorsed by Parzow.

Parzow Called 'Pay-Off Man'

Chotiner testified that he knew Parzow reasonably well and had seen him "3 or 4 times" before meeting the Kravitzes. This conflicted with Parzow's testimony in closed session Apr. 28 that he had seen Chotiner only once. Chotiner said he had represented Parzow in an income-tax matter and not in connection with Govt. contracts.

Kennedy told the subcommittee Parzow had been the Kravitzes' "pay-off man" in alleged bribes to Govt. uniform officials. He said a $15,000 check from Herman Kravitz had passed through Parzow's hands into Reginelli's bank account.

Chotiner testified that the Kravitzes had retained him to advise on a projected plant in the Los Angeles area. But he refused to give some details of his work for the Kravitzes & other clients on grounds it would violate client-attorney relationship.

Sen. John L. McClellan (D., Ark.), subcommittee chairman, said after the May 3 session ended that he had "reason to believe" Atty. Gen. Herbert Brownell Jr. or Deputy Atty. Gen. William P. Rogers had ordered Justice Dept. lawyers to "deal . . . cautiously" with Chotiner.

Earlier Probe Developments

Among events occurring before Chotiner's entry into the Senate Investigation Subcom.'s inquiry:

Apr. 10. Gregory Harrington, Wall St. trader, testified that Abrams had purchased $3,105,000 worth of bonds in his own name and $2,867,000 worth in the names of 27 other persons during 1950-53. Abrams, who also had been blacklisted from obtaining Govt. contracts pending investigation of alleged misappropriation of Govt. property, was associated with the Kravitzes. He operated the Fabric Garment Co. of Brooklyn. Some names of the dummy bond buyers were shown to be fictitious; several others were said to be unaware their names had been used. Nathan Berger, N. Y. garment manufacturer who said he had been "dummy owner" of Combat Uniform Corp. (Brooklyn) on behalf of Abrams, Harry Hyman & Jack Schwartz, who had been blacklisted as Govt. contractors, testified that "the trade . . . suspected" the bonds were "pay-offs" to Govt. uniform officials. Berger said he thought they were used to "blackmail" Govt. employes who accepted them. Abraham B. Sharpe, N. Y. book dealer listed as a holder of $24,000 worth of the bonds, invoked the 5th Amend. in refusing to answer questions about the bonds or his connection with Abrams.

Apr. 11. Attilio Musto, head of Attilio Fashions, Inc. (Brooklyn), testified that he had been unaware that Abrams had bought $178,000 worth of bonds in his (Musto's) name. Schwartz testified similarly about $20,000 worth of bonds Abrams had bought in his (Schwartz') name.

Apr. 19. Samuel Leider, 64, pres. of Cumberland Cloak Co. (Millville, N. J.), invoked the 5th Amend. in refusing to testify about an alleged $5,000 bribe. He collapsed on the witness stand and was put in a doctor's care. Subcommittee investigator Carmine Bellino testified that in earlier interviews, Leider had told him: In 1953, when Leider was having trouble over Army contracts for $776,250 worth of trench coats, he told his troubles to Samuel Kravitz, who said he could help him for $17,000, which was to go to Govt. people; since Leider did not have the money, the Kravitzes lent him $5,000, which Leider later paid over in small bills to Klass; Leider claimed to fear Herman Kravitz because Kravitz "could get a gang and could get anybody injured"; Leider had been willing to testify but had changed his mind after meeting Apr. 18 with Abrams & Abrams' attorney, Russell Morton Brown.

Apr. 24. Anthony Defero, who testified that his family owned 75% of the defunct Quality Clothing Co. (which had $5 million in Govt. contracts), said his firm had obtained changes in Govt. contracts through an ex-partner, Nathan C. Lieberman of Atlantic City, ex-pres. of the firm & brother-in-law of Samuel Kravitz. Lieberman invoked the 5th Amend. repeatedly in refusing to discuss his activities, including payments from Quality Clothing to the Kravitzes' A-C Clothing Co.

Apr. 25. Herman Kravitz testified that Chotiner had been retained in 1953 to investigate a possible Los Angeles plant site, but both Kravitzes invoked the 5th Amend. in refusing to tell whether there was any other reason for hiring Chotiner. Herman Kravitz refused to say whether he had made "payoffs" to Govt. officials. Klass invoked the 5th Amend. in refusing to discuss checks he allegedly had endorsed & other matters.

Airpower Policy Defended

Defense Secy. Charles E. Wilson May 8 denied charges of "fear mongers" that "the USSR is far outstripping" the U.S. in airpower. But he told a Senate Appropriations subcommittee that the U.S. "is not & should not be competing in an all-out armaments race with the USSR or any other country." [See p. 144G2-A3]

Wilson said the Joint Chiefs of Staff considered the fiscal 1957 defense budget "pretty austere" but "sufficient to take care of the critical needs of their services." He said the program was not influenced by budgetary considerations "in the sense that the President . . . gave me a dollar figure and said I would have to come down to it." But he implied that he considered taxes a "factor" in defense and that if more money than requested were voted, it would not be spent.

(The House Appropriations Com. May 3 approved a $34,147,850,000 defense appropriation for fiscal 1957 that conformed with Admin. requests in virtually all respects.)

'Ike', Wilson Vs. Bomber Race

Wilson May 8 echoed Pres. Eisenhower's press conference statement of May 4 that it was not vital for the U.S. to outproduce Russia in intercontinental bombers.

(It was reported in Washington May 3 that Russia already had more than 100 Bisons, intercontinental bombers comparable to the U.S.' B-52—of which only 47 acceptable planes so far had been delivered to the AF.)

Wilson said overseas bases & aerial refueling gave the B-47 medium bomber "true intercontinental capability." B-47s (the U.S. had more than 1,500) were "the heart of our strategic striking power," he said.

Wilson backed the President's view that U.S. airpower consisted not only of active AF planes (more than 25,000) but included more than 12,000 Navy & Marine aircraft, more than 4,000 (mostly small) Army planes and the aircraft of the Air Natl. Guard, air reserve units & "civil air fleets."

Wilson indicated that it would be a mistake if controversy over compar-

ative American-Soviet military power led the U.S. to "pattern its defense program directly on that of the USSR" and, in effect, to give "the Soviets the responsibility for designing & determining the size & scope of our defense establishment."

B-52s, Missiles Pressed

To clear up confusion, Wilson released a secret—that B-52 production would be increased from 6 a month to 20 (a rate which, it was reported, could not be achieved before late 1957 at the earliest).

Wilson also said he was pressing development of guided & ballistic missiles without "fund limitations." He conceded that the U.S. & USSR each led in specific developments but expressed assurance that the U.S. was not "going to be outstripped in any important area that is too important when compared to the whole."

Eisenhower Cites Strength

Pres. Eisenhower had said at his May 4 press conference that defense critics had ignored these facts: (a) the U.S. Navy was "the most powerful . . . in the world," and "it features . . . airpower"; (b) "we have bases around the world, established for the particular purpose of using the medium bomber and not being forced to make all our bases in the United States and therefore depend on intercontinental machines."

As for the B-52 program, which lagged because of a "component failure," Mr. Eisenhower said: (a) modification in "hot" planes was a "usual experience," such as he had encountered in World War II, and the B-52 defect "is being corrected"; (b) his Admin. twice had stepped up the rate of B-52 output, but "the whole question of airpower is not confined to one simple type of airplane."

(The President also told reporters May 4 that the U.S. would not reduce its own armaments "if we don't know anything more about what's inside the Iron Curtain than we do today." He expressed disappointment at Russia's refusal, at the London disarmament talks, to accept arms inspection as a condition to disarmament. "We don't believe that disarmament can be brought about any other way," he declared.) [See pp. 150D3, 135G1-B2]

LeMay Reports B-52s Rejected

The questioning of Mr. Eisenhower on airpower followed testimony of Gen. Curtis E. LeMay, Strategic Air Force commander, that the USSR was edging into the lead in air striking power. [See p. 144E1-D2]

LeMay told the Senate Armed Services subcommittee on airpower May 2 that the AF had rejected 31 of 78 B-52s produced in 1955-56 because of a "serious component failure."

(It was reported that all rejections were due to defective fly-wheels in electrical alternators made by Thompson Products, Inc. of Cleveland but that alternators made by General Electric had been accepted.)

Houses Passes New Farm Bill

A Democratic farm bill (HR10875) was passed May 3 by 314-78 House vote (191 D. & 123 R. vs. 62 R. & 16 D.) and sent to the Senate after 211-184 rejection of Pres. Eisenhower's proposal to give advance payments to farmers who sign agreements to participate in the soil-bank program in 1957. The vote against the advances: 207 D. & Republicans Burdick (N. D.), Fulton (Pa.), King (Pa.) & Mason (Ill.). For the advances: 183 R. & Brooks (D., La.).

Pres. Eisenhower May 4 called the legislation "bad," largely because of a provision increasing price supports on small livestock feed grains (oats, rye, barley & grain sorghums) by 16% for 2 years provided growers put 15% of their land into the soil bank. [See p. 144G2-B3]

POLITICS

Johnson Wins in Texas

Senate majority leader Lyndon B. Johnson defeated retiring Gov. Allan Shivers by an overwhelming majority in 5,500 precinct conventions May 5 for leadership of Texas' Democratic Party. He won at least 187 counties & 1,458 state convention votes to 44 counties & 381 votes for Shivers. Johnson's victory, confirmed by 254 county conventions May 8, gave him control of Texas' 56-vote delegation to the Democratic Natl. Convention & the assurance of being "favorite son" Presidential candidate.

The contest climaxed a short, bitter duel in which U.S. House Speaker Sam Rayburn (who was picked unanimously by the Democratic Natl. Com. Apr. 20 as permanent chairman of the Democratic Natl. Convention) sparked the support for Johnson.

Chief issue of the campaign was party loyalty—with Democratic regulars backing Johnson against Shivers, who had bolted to the Eisenhower camp in 1952. Shivers charged that Johnson was an NAACP "tool," a leftwing "captive" & a labor bosses' "stooge." Johnson disclosed May 6 that he had been threatened with death and his wife insulted.

Johnson, a recovered coronary thrombosis patient, said May 7 that he knew he would not be the Democratic Presidential nominee. His Presidential candidacy, however, had been endorsed by such leading Democrats (largely from Southern & border states) as: Sens. Harry F. Byrd & Willis Robertson (both Va.), Walter F. George & Richard B. Russell (both Ga.), George A. Smathers (Fla.), Russell B. Long (La.), John L. McClellan (Ark.), Robt. S. Kerr (Okla.), Alan R. Bible (Nev.): ex-Sen. Strom Thurmond (S.C.) [See p. 84F-G3]

FOREIGN

France. Premier Guy Mollet's Govt., in confidence votes of 260-138, 334-121 & 333-95 May 3, won Natl. Assembly approval for tax increases of 140 billion fr. ($400 million) to cover 31,200-fr. ($89) annual grants to persons 65 & over with incomes of less than 201,000 fr. ($574). The pension bill, backed by Socialists & the CP, and opposed by rightists & some Radical & MRP deputies, had survived a 350-68 confidence vote May 2. [See p. 79A-C1] . . . Finance Min. Paul Ramadier Apr. 18 submitted to the Natl. Assembly an $11,314,000,000 revised 1956 budget that listed $755 million for North African military costs, $76 million for North African public works & a deficit of $1,671,000,000 [see Vol. XV, p. 94A2]. Premier Mollet was reported May 6 opposed to a 4% steel price rise announced by the industry to finance expansion. . . . Pierre Poujade told the French Natl. Congress of the Union for Defense of Tradesmen & Artisans Apr. 30 that his call for a "States General" meeting would mean "the end of the 4th Republic" [see p. 79B1]. The Natl. Congress May 2 told Poujadist deputies to continue their boycott of the Natl. Assembly (begun Apr. 20) over the unseating of 8 Poujadist deputies for election irregularities. The ousters had reduced the Poujadist bloc in the Assembly from 53 to 45 [see p. 79A1]. Poujade May 1 broke with Julien Quincy, leader of the "parallel" Union for Defense of French Workers, on grounds that Quincy's organizing drive was inadequate. . . . The former Gaullist (RPF) party May 4 stated Gen. Charles de Gaulle's conditions for a return to power: consent of all non-CP parties to his return; decree powers & the right to present a new constitution [see p. 79C1]. Premier Mollet told a meeting in Arras May 6 that constitutional reform & strengthening of the executive was needed & that "it is for the Republicans themselves to take the initiative."

East Germany. 3,000 troops of the First Mechanized Regiment paraded in Berlin May 1 in the first full-dress public display of the new East German army. [See p. 30C3] . . . Maj. Gen. I. L. Zarenko, Soviet Army staff chief for Germany, charged Apr. 23 that a U.S. intelligence agency had tunneled 500 yds. into East Berlin & tapped Russian Army telephone cables near Schoenfeld airport. The tunnel, seen by Western correspondents Apr. 24, reportedly contained U.S. & British equipment. [See Vol. XV. p. 85A3] . . . The East German radio said May 1 that the first East German 2-engined commercial plane had been flown over a Dresden May Day parade. [See Vol. XV, p. 105G3] . . . Ex-Justice Min. Dr. Max Fechner, who had been imprisoned for softness in dealing with anti-Red riots in June 1953, & 87 other persons were pardoned for their crimes Apr. 26 by the Socialist Unity (Communist) Party Central Com. [See Vol. XIII, pp. 231F1, 247A3] . . . 215 of 250 ex-war criminals repatriated from Russia were released from jail in Bautzen Apr. 13. 108 went to their homes in West Germany. [See p. 2A1]

West Germany. The Bundestag (lower house) May 4 passed on first reading & sent to committee the Adenauer Govt.'s 18-mo. conscription bill after hearing Defense Min. Theodor Blank tell opposition Social Dems. that enlistments would provide only 230,000 of 500,000 men needed for the Bundeswehr [see p. 126F2-A3]. Bundestag committees May 7 approved 250 million Deutsche marks ($58.5 million) for the purchase of army cars & light tanks. A Defense Ministry report Apr. 26 said the new Air Force would have 3,200 aircraft [1,236 combat models],

most to be bought abroad at a cost of $1.428 billion. . . . The annual Christian Dem. Union party conference in Stuttgart voted Apr. 28 for creation of 4 deputy party chairmanships over Chancellor Konrad Adenauer's protests. Elected as dep. chairmen: Karl Arnold, leftwing Christian Dem., ex-Min.-Pres. of Rhine-Westphalia & regarded as a possible successor to Adenauer as party leader; Bundestag Pres. Eugen Herstenmaier, All-German affairs Min. Jacob Kaiser, Schleswig-Holstein Min.-Pres. Kai-Uwe von Hassel. A West German public opinion poll May 7 reported Forgn. Min. Heinrich von Brentano leading a list of possible Adenauer successors as chancellor. [See pp. 61G3, 125E3] . . . 16 dissident Bundestag Free Dems., including Vice Chancellor Franz Bluecher, Min.-without-portfolio Hermann Schaefer & Justice Min. Fritz Neumayer, founded the Free People's Party Apr. 23 to support the Adenauer Govt. [See p. 71A1] . . . The Free Dem. Party's Natl. Congress reelected Dr. Thomas Dehler party chrmn. Apr. 21 and attacked Adenauer for authoritarian rule & the continued division of Germany. [See p. 70F3] . . . Ex-Nazi propaganda aide Dr. Werner Naumann was named head of the N. Rhine-Westphalia truckers' association Apr. 21 & attacked Adenauer Govt. policies. [See Vol. XIII, p. 279A2] . . . The W. German Supreme Court Apr. 28 refused to order the release of ex-intelligence chief Dr. Otto John, arrested & still under investigation after returning from exile in East Germany. [See Vol. XV, p. 407A3] . . . The Soviet Forgn. Ministry said Apr. 29 it was checking a list of 10,000 German prisoners submitted by German Amb.-to-Russia Dr. Wilhelm Haas & would repatriate any found. [See p. 2A1] . . . Bonn Govt. spokesmen said May 2 that a Soviet trade agreement offered by Russian Amb. Valerian A. Zorin had been rejected [see p. 126E3]. West German industrialist Otto Wolff was reported May 2 to have made a speech at the Hanover Industrial Fair attacking the U.S. strategic goods embargo against Red China. Red Chinese European trade chief Ke Chien Ting was reported May 3 to have met with members of the East Com. of the [West] German Fed. Assn. of Industries. [See p. 100G2] . . . The Krupp industrial combine Mar. 8 submitted to the U.S. State Dept. a plan under which Western industry would counter Soviet aid with projects in underdeveloped areas with U.S.-backed long term credits. [See Vol. XV, p. 102G3] . . . Industrialist Freidrich Flick, who was convicted of war crimes, was reported Apr. 11 to have purchased a 20% interest & gained control of the Belgian steel firm Societe Metallurgique Hainnaut-Sambre with Belgian Govt. approval. [See Vol. X, p. 276E].

Japan. Soviet authorities May 1 freed 48 Japanese fishermen held for poaching in the Kurile Is. 11,000 fishermen sailed for Northern Pacific salmon waters Apr. 28 despite a Soviet ruling Apr. 22 limiting the catch to 50,000 tons on a permit basis, pending the outcome of further talks [see Vol. XV, p. 199D2]. Japanese special envoy Shinuchi Matsumoto & Soviet Amb.-to-Britain Jacob A. Malik had suspended talks on a Japanese peace treaty in London Mar. 20 after failing to agree on Japanese fishing interests & Japanese-Soviet trade. [See Vol. XV, p. 271E1] . . . Roman Catholic Bishop Paul Yamaguchi of Nagasaki said May 5 that $150,000 had been raised ($40,000 in the U.S.) for rebuilding of the Nagasaki cathedral destroyed by the A-bomb Aug. 9, 1945. . . . U.S. Govt. spokesmen said Apr. 17 that a $60 million contract had been signed for construction of 110 F-86 Sabrejets & 80 T-33 trainers in Japanese plants. [See Vol. XV, p. 10E1] . . . The Japanese Govt. Apr. 19 rejected a U.S. offer to sell U.S. surplus crops for yen & let other Asian nations use the proceeds for purchases in Japan. [See Vol. XV, p. 12F2] . . . U.S. State Secy. John Foster Dulles Apr. 17 expressed "great concern" over Alabama & South Carolina laws discriminating against sale of Japanese textiles. Japan had protested Apr. 4 against the laws which required that stores handling Japanese textiles post signs reading, "Japanese Textiles Sold Here." [See Vol. XV, p. 383F3]

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Burmese election returns May 3 assured Premier U Nu's Anti-Facist People's Freedom League & affiliates of 132 seats out of 204 contested in general elections Apr. 27 for the 250-seat Burmese Parliament. The Communist-led United Natl. Front had won 42 seats (gain of 12 over 1952 elections), & other opposition parties 13 [see Vol. XII, p. 90C]. The Intl. Bank May 4 granted Burma a $19,350,000 loan for port & rail improvements. Reports May 6 said India had extended Burma $35 million in credits & the U.S. had agreed to buy $1 million worth of rice to help Burma pay for technical aid & training [see Vol. XV, p. 223C3-224B1]. Burmese imports of Soviet-bloc goods were said May 1 to have risen from 3% of Burma's imports in 1955 to 25% this year. Soviet-bloc rice purchases in Burma were said to have been set at 600,000-one million tons annually ($100 million worth). [See Vol. XV, p. 350G1] . . . **Ceylonese** Premier S.W.R.D. Bandaranaike told Parliament in Colombo May 4 that he had discussed withdrawal of British air & naval forces from Ceylon bases with British First Sea Lord Adm. Earl Mountbatten & "we must be ready to take charge" [see p. 129D3]. Bandaranaike told his Sri Lanka (Freedom for Ceylon) Party May 5 to consolidate against Trotskyites & Marxists, formerly members of his Peoples' United Front election coalition [see p. 121A2]. The Intl. Cooperation Admin. said in Washington Apr. 28 that Ceylon had signed an agreement for $5 million in U.S. aid in fiscal 1956 [see Vol. XV, p. 43B3]. Soviet Amb.-to-India M. A. Menshikov reportedly asked Apr. 28 for the opening of Ceylonese-Soviet diplomatic relations [see Vol. XV, p. 138C-G3]. R. G. Senanayake was named Ceylonese Trade & Commerce Min. Apr. 18. [See p. 129F3] . . . **Indonesian** Judge Gustaf A. Maengkom said in Jakarta Apr. 27 that a verdict had been written in the Jungschlaeger case but would be shelved "for the future" [see p. 139C-D3]. Darul Islam rebels set fire to $2 million worth of oil in Sumatra May 4. [See Vol. XV, p. 202A3] . . . **Libyan** Cabt. announced Mar. 27 by Premier-Forgn. Min. Mustafa Halim: Ali Sahili (Justice), Abdel Rahman Galhud (Education), Miftah Uraiqib (Econ.), Salem el Qadi (Communtns.), Mohammed ben Othman (Health), Ismail ben Lamin (Finance), Ali Jaaudeh (Defense), Khalil Qallal & Mohyiddin Fikini (State Mins.). [Vol. XIV, p. 107A1] . . . **Nepalese** King Mahendra Bir Bickram Shah Deva & Queen Ratna Devi were crowned May 2 by Brahmin priests in Katmandu before Nepalese & foreign emissaries (including Dr. Charles W. Mayo, Pres. Eisenhower's representative). Mahendra, 36, 9th of the Rana line, succeeded his father, King Tribhubana, who died in 1955 [see Vol. XV, p. 85C3]. Katmundu reports Apr. 29-May 6 said Kunwar Inderjit Singh, former rebel leader returned to Nepal from exile in Red China & Tibet [see Vol. XII, p. 50B], was emerging as United Dem. Party leader & candidate for Premier in general elections due in Oct. 1957. [See Vol. XIII, p. 138F] . . . **South Korean** Natl. Police fired on & dispersed a crowd of 20,000 marching on Pres. Syngman Rhee's home in Seoul May 5 to demonstate against Rhee following the death earlier that day of Dem. Party presidential candidate P. H. Shinicky, 61, who died from cerebral hemmorhage while campaigning in Iri [see p. 132C2]. ROK officials said May 5 that the Democrats could not legally name a new candidate for the May 15 elections [see p. 132C2]. The UN Military Council Apr. 11 charged that North Korea had broken the truce with an attack on a UN armistice line post [see Vol. XV, p. 279A1]. North Korean Maj. Gen. Chung Kook Rok returned a list of 2,720 missing UN PWs (including 450 Americans) in Panmunjom Feb. 25 & told UN military representative Adm. Walter E. Moore "we are not responsible for them." [See Vol. XV, p. 272E-F1]

LATIN AMERICA

Argentina. The Govt. May 3 charged that Raul Alejandro Apold, believed now in the U.S., had misappropriated $100,000 while Peronist press & propaganda chief. A commission investigating Peronist corruption said Apold had modeled his department on the Nazi propaganda ministry & spent $30 million in 1948-55 to subsidize newspapers, magazines & radio-TV. [See p. 87C2] . . . 44 Communists were arrested May 2 in a raid by police on CP hq. in the Flores district of Buenos Aires [see p. 146B1]. More than 100 persons suspected of being unfriendly to the Aramburu Govt. were arrested in Tucuman province, it was reported Apr. 29. Almost 100 other alleged conspirators were arrested in Cordoba by the Army & police. [See p. 130D2]. . . . The Argentine Govt. decided Apr. 19 to join the Intl. Monetary Fund and World Bank. . . . Interior Min. Eduardo Busso, 57, a law professor who was a leading

figure in the overthrow of Perón & establishment of the present regime, resigned Apr. 27, ostensibly "on a point of honor" (involving a complaint against his appointment of the judge hearing a divorce case in which his law associate was defense attorney). [See Vol. XV, p. 378E1]. . . . Outgoing U.S. Amb. Albert F. Nufer defended himself & the Eisenhower Admin. Apr. 27 in Buenos Aires against charges of having appeased the Perón regime. Nufer, who was to be replaced by ex-Amb.-to-Chile Willard L. Beaulac, said he had been guided by principles of "mutual respect . . . which means . . . strict adherence to a policy of non-interference in internal affairs." Nufer was to be assigned to the Philippines. The Argentine Govt. had disapproved of his friendly relationship with ex-Pres. Perón. [See Vol. XIII, p. 266C1]

Brazil. The Chamber of Deputies May 3 voted 96-89 against extension of the general amnesty for anti-regime plotters to Communists. [See p. 79C2] . . . Dr. Willard Libby, actg. U.S. AEC chrmn., & Brazilian Amb.-to-U.S. João Carlos Muniz disclosed in Washington Apr. 19 that Brazil was the first nation to receive U.S. funds (about $350,000) for construction of a research atomic reactor. The Brazilian Govt. disclosed May 1 that it would continue its sale of thorium for use in atomic reactors to the U.S. The Brazilian Natl. Research Council had charged that the Govt. was selling thorium far below its real value. [See p. 123E1] . . . Pres. Juscelino Kubitschek asked Congress formally Apr. 19 to transfer the capital from Rio de Janeiro to Formosa Central Plateau in Goias State, 550 mi. closer to the center of Brazil. Preparations for the new capital, to be named Vera Cruz & patterned after Washington, D.C., had been under way for 10 yrs. . . . Trade agreements between Brazil & Italy completed in Rio de Janeiro Apr. 30 brought both countries into the Hague Club (Britain, West Germany, Benelux nations), a commerce system based on multilateral payments. [See p. 114G3]

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Colombian Pres. Gustavo Rojas Pinilla May 6 lifted a ban imposed Aug. 4, 1955 on the liberal newspaper *El Tiempo*. The paper remained shut with its owner, Dr. Eduardo Santos, in Paris. [See p. 55A3] . . . **Cuban** police May 3 arrested 17 persons charged with being members of a revolutionary group headed by Justo Carillo, an official in the Prío Socarrás regime. [See p. 145F3]

U.S. BUSINESS

Statistical reports May 8: (by Commerce Dept.) manufacturing & trade inventories were estimated Mar. 31 at $84 billion vs. $78 billion in Mar. 1955 [see Vol. XIV, p. 78G2]; (by Labor Dept.) expenditures on new construction last month equaled the Apr. 1955 record of $3.3 billion but outlays for private residential building were 8% less than a year ago. [See p. 15B2] . . . **Steel** production totaling a U.S. record 122 million tons in 1956 was forecast May 6 by *Steel* magazine. The U.S. Steel Corp. announced May 7 it would spend at least $500 million a year for 5 years to replace & expand production facilities. [See p. 146F1, 31D1, 23D1] . . . **Atomic Energy Comm.** announced May 4 that permits for construction of the first large-scale, privately-run atomic power plants had been issued to Consolidated Edison (for a $55 million, 236,000-kw plant using both atomic fuel & oil at Indian Pt., N.Y.) & Commonwealth Edison (for a $45 million, 180,000-kw. atomic reactor plant at the Kankakee & Des Plaines river junction s.w. of Chicago). [See p. 139B1] . . . **Norfolk Southern Rwy.** passed to control of Frank Mauran 3d of Providence, R.I. & associates who won 5 of 9 directorships from Perry N. Selheimer of Phila. & associates in a stockholders' election May 3 in Norfolk, Va. Henry Oetjen of New York, a Mauran director, was elected pres.-chrmn. . . . . **Thomas J. Watson Sr.**, 82, retired May 8 as IBM chief exec. officer in favor of his son, Thomas J. Watson Jr., firm pres., but remained IBM bd. chrmn. [See p. 38E3; Vol. XV, 195A3, 204B3] . . . **Henry Ford 2d** retired as Ford Foundation bd. chrmn. May 8 in favor of Foundation Pres. H. Rowan Gaither because of the "full time" requirements of the chairmanship. Ford remained a director. [See p. 87F1; Vol. XV, 411G1] . . . **Transatlantic** airline year-round fare reductions were proposed May 3 (subject to approval by Govts. of European countries concerned) by Pan. Amer. World Airways & Trans World Airlines for tourist trips from New York to London, Paris, Frankfurt-on-the-Main & Rome. TWA's plan for 15-day round trips proposed reducing N.Y.-London fare to $350 from the present minimum of $522. Pan Amer.'s plan, involving no round-trip requirement or fixed period of travel, would offer a N.Y.-London round trip for $428. [See Vol. XV, p. 346D2] . . . **N.Y. Stock Exchange** fire late May 4 (Friday) damaged 7,500 wire lines in the NYSE communications system. The N.Y. Telephone Co. completed repairs in time to permit normal operations May 7 (Monday).

ARTS & SCIENCE

Pulitzer Prizes. Columbia U. announced May 7 in New York the following Pulitzer Prizes for American works in 1955:

In letters:

Drama—Frances Goodrich and Albert Hackett, 56, husband & wife playwriting team, for "The Diary of Anne Frank" [see p. 131G2]; **Fiction**—MacKinlay Kantor, 52, for "Andersonville" [see Vol. XV, p. 370E2]; **History**—Richard Hofstadter, 40, for "The Age of Reform: From Bryan to FDR"; **Poetry**—Elizabeth Bishop, 45, for "Poems: North & South—A Cold Spring"; **Biography**—Talbot Faulkner Hamlin, 67, for "Benjamin Henry Latrobe" (first U.S. professional architect); **Music**—Ernst Toch, 69, Viennese-born composer, for "Symphony No. 3."

In journalism:

Public Service—"Watsonville (Calif.) Register-Pajaronian" (circ. 7,800) for exposing corruption which led to resignation of District Atty. Charles L. Moore, Jr., & conviction of his associate Raymond Jehl; **local reporting under deadline**—Lee Hills, 50, exec. ed. of "Detroit Free Press," for coverage of UAW guaranteed annual wage negotiations with Gen. Motors; **local reporting without deadline**—Arthur Daley, 52, "N.Y. Times" sports columnist, for daily coverage of sports; **natl. reporting**—Charles Leffingwell Bartlett, 35, Washington correspondent for the "Chattanooga (Tenn.) Times," for disclosures which led to resignation of ex-AF Secy. Harold E. Talbott; **intl. reporting**—William Randolph Hearst, Jr., 48, Hearst Newspapers ed.-in-chief, Kingsbury Smith, 48, INS vice-pres., & Frank Coniff, 42, asst. to Hearst, for interviews with Soviet leaders [see Vol. XV, p. 43C1]; **editorial writing**—Lauren K. Soth, 46, for "Des Moines Register & Tribune" editorial which led to Russian farmers' visit to U.S. midwest [see Vol. XV, p. 240E2]; **cartoon**—Robert York, 57, of "Louisville (Ky.) Times" for cartoon "Achilles" showing figure of bulging man labeled U.S. "prosperity" with heel labeled "Farm Prices"; **photography**—"N.Y. Daily News" for consistently excellent news pictures, with Geo. Mattson's aerial photo of burning B-26 bomber which crashed in Long Island street cited as example.

The Pulitzer $1,500 traveling Art Scholarship was awarded to Mrs. Carol Maringer Benson, of Cleveland, Ohio. [See Vol. XV, p. 150G2]

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Schizophrenia symptoms were induced in 2 mentally normal persons injected with a protein substance from blood of schizophrenia patients during recent tests at Tulane U. on prisoner volunteers from Angola (La.) State Penitentiary, Dr. Robert Heath, Tulane psychiatry & neurology prof., reported to the Amer. Psychiatric Assn. meeting in Chicago May 3. The report indicated that further experimentation might establish a curable cause of schizophrenia & a means of detecting danger of the disease. [See

NEW BOOKS

America, I Like You. By P. G. Wodehouse. Americana compiled by humorist [see Vol. XV, p. 420F3]. May 3. (Simon & Schuster, 212 pp. $3.50)*

Bellevue Is My Home. By Dr. Salvatore R. Cutolo, with Arthur & Barbara Gelb. Memoirs by Deputy Medical Supt. of life in New York hospital. May 7. (Doubleday, 317 pp., $4)†

Freud: The Man & His Mind, 1856-1956. By Richard L. Schoenwald. Survey of basic thinking of psychoanalyst. May 7. (Knopf, 250 pp., $4)†

The Fabulous Democrats: A History of the Democratic Party in Text & Pictures. By David L. Cohn. May 4. (Putnam, 192 pp., $5.95)†

Greenwillow. By B. J. Chute. Gentle preacher & village maid seek to quiet a young man's wanderlust. May 1. (Dutton, 237 pp., $3.50)*

Olympio: Life of Victor Hugo. By André Maurois. Biog. May 7. (Harper, 498 pp., $5.95)†

Oscar Hammerstein I: Life & Exploits of an Impresario. By Vincent Sheean. Biog. May 7. (Simon & Schuster, 363 pp., $5)†

The Raven & The Whale: The War of Words and Wits in the Era of Poe & Melville. By Perry Miller. New York literary world in 1840s. May 2. (Harcourt, Brace, 370 pp., $6.75)†

Yankees In Paradise. By Bradford Smith. New England missionaries attempt to spiritualize carefree Hawaiians. May 2. (Lippincott, 376 pp., $5)*

NEW YORK THEATER

Opened

The Most Happy Fella. Musical drama based on Sidney Howard's play, "They Knew What They Wanted," of Calif. Italian vineyard owner who sends for mail-order bride. Book, music & lyrics by Frank Loesser. Staged by Joseph Anthony. Presented by Kermit Bloomgarden. With Robert Weede, Jo Sullivan, Art Lund, Mona Paulee, Susan Johnson, Shorty Long, Lee Cass, Alan Gilbert. May 3. at Imperial. (7-0-0)§

Wake Up, Darling. Comedy by Alex Gottlieb about young composer who shares playwright's apartment, has designs on his wife. Staged by Ezra Stone. Presented by Gordon W. Pollock [see p. 132E3]. With Barry Nelson, Kay Medford, Barbara Britton, Russell Nype. May 2 at Ethel Barrymore. (1-0-6)§ Closed May 5 after 5 performances.

Closed

Affair of Honor Apr. 28 (27 performances)
Goodbye Again Apr. 28 (7 performances)
Mr. Johnson May 5 (44 performances)
Time Limit May 12 (127 performances)

* Fiction † Non-fiction § First figure—favorable reviews in major N.Y.C. dailies; 2d figure—mixed reviews; 3d figure—unfavorable reviews

p. 56D1] . . . **Nerve gas detector** made by RCA was demonstrated May 4 in Morrestown, N.J. [See Vol. XV, pp. 394C2, 434D3; XIV, 221E3] . . . **Cancer producing agents** arsenious oxide & benzyprene "have been identified in tobacco smoke" but there remained only statistical evidence to associate smoking with lung cancer, British Health Min. Robert Turton reported May 7. [See p. 131E3]

Yorktown battlefield's Redoubt No. 10 where Geo. Washington received Lord Cornwallis' surrender articles of Oct. 19, 1781 was uncovered this year by a Natl. Park Service archeological group under Edward B. Jelks on the York River bank at Yorktown, Va., Asst. Interior Secy. Wesley A. D'Ewart announced May 5. . . . **Michael Todd,** U.S. theatrical & film producer, & Gregory Alexandrov, a Soviet film director & Culture Ministry official, announced in Moscow May 5 that they had reached agreement on plans for Todd to co-produce with the Sovt. Govt. 5 major films, possibly including *War & Peace*, in the USSR. [See Vol. XV, p. 363B1; XIII, 95A] . . . **Isaac Stern,** 35, violinist, became the first American concert artist to perform in Moscow in 10 yrs. when he gave a concert in Grand Conservatory Hall there May 3. [See p. 27B2] . . . **5th Intl. Philatelic Exhibition's** best-in-show trophy was awarded May 5 in New York to Roberto Hoffmann of Montevideo for a display of 1856-64 Uruguayan stamps. . . . **Earth's** radius at the equator is 3,963.21 mi. and its circumference at the equator about ½ mi. less than the 24,902.39-mi. distance previously accepted, the U.S. Army Map Service reported to the American Geophysical Union in Washington May 2. The new calculations were based on surveys on lines extending from Alaska to Chile & Finland to South Africa. . . . **BBC** reported May 2 a survey showing that the Independent Television Authority's commercial TV programs were preferred by 59% of the audience in London & Birmingham, where both ITA & non-commercial BBC telecasts were offered. [See Vol. XV, p. 330E2].

OBITUARIES

Edward Norphlet Brown, 94, railroad construction engr., ex-pres.-bd. chrmn. St. Louis-San Francisco Rwy. and Chicago, Rock Island & Pacific RR; May 2 in New York.

Dr. Gordon Keith Chalmers, 52, Kenyon Coll. (Gambier, O.) pres. since 1937, Fulbright Award Com. member; May 8 in Hyannis, Mass. of cerebral hemorrhage while on business trip.

Louis Nogueres, 75, French jurist, ex-Socialist Natl. Assembly member, chief judge in 1946 at trials of Vichyite Cabt. ministers & deputies accused of collaboration with Nazis; May 5 in Perpignan, France.

John C. Olsen, 38, TV actor, son of comedian Ole Olsen; found dead May 4 in Flushing, N.Y. apartment, apparently suicide by sleeping pills.

Livingston E. Osborne, 71, Chicago atty., Ill. Athletic Comm. chrmn.; May 8 in Chicago of heart ailment.

Gaillard F. Ravenel, 69, vice pres. for operations of U.S. Lines 1942-51; May 5 in Garrison, Md.

Judge Joseph Sabath, 86, Chicago Superior Court justice 1910-52 who granted estimated 70,000-90,000 divorces but reconciled 10,000 other couples, brother of late Rep. Adolph J. Sabath; May 3, Winnetka, Ill. [See Vol. XII, p. 356A]

Dr. Morris M. Slotnick, 54, geophysical consultant to Standard Vacuum Oil Co., research mathematician; May 7 in Dallas of heart attack.

George T. Tobin, 92, book & magazine illustrator who did portraits of Woodrow Wilson, Theo. Roosevelt, Pope Pius X; May 5, St. Albans, Vt.

Robert Waithman, 49, Washn. correspondent since 1947 for *London News Chronicle;* May 2 in Hertfordshire, Eng. of heart attack.

Fielding Lewis Wright, 60, Miss. Gov. 1946-52 who led in forming States Rights (Dixiecrat) Party and ran for Vice Pres. in 1948 in protest against acceptance by Dem. Party of Pres. Truman's civil rights program; May 4 in Jackson, Miss. of heart attack. [See Vol. VIII, p. 355L]

SPORTS

Winners

Horse racing: D. & H. Stable's Needles, an 8-5 favorite with Dave Erb up, won the 82d Kentucky Derby in Louisville Mar. 5 for $123,450 of the $167,550 purse. Fabius was 2d, Come On Red 3d [see pp. 148C1, 104B2; Vol. XV, 164A1]. Leslie Combs 2d's Nashua, Ted Atkinson up, won the $55,200 Grey Lag Handicap May 5 at Jamaica (N. Y.), for $37,100, to increase his lifetime earnings to $1,077,615 [see p. 96D2]. Giled de Retz won the 148th 2,000 Guineas at Newmarket, Eng. May 2. [See p. 104B2] . . . **Golf:** The U.S. defeated Canada, 21-6, in the intl. PGA Hopkins Trophy team matches May 8 in Ft. Worth, Tex. [See p. 148B1] . . . **Tennis:** Lew Hoad, 21, of Australia won men's singles, Althea Gibson, 28, of New York women's singles in the Rome intl. tourney finals May 8. [See pp. 148C1, 132B2] . . . **Track & field:** Jim Bailey, 26, Australian student of business admin. at the U. of Oregon, won a special mile race in the Los Angeles Coliseum May 5 in connection with a USC-UCLA dual meet in 3 min. 58.6 sec. John Landy, 26, a high school science & agri. teacher of Geelong, Australia & world mile recordholder, ran 2d in 3:58.7. Bailey broke Wes Santee's U.S. record of 4:00.5 [see p. 124E2]. Other performances exceeding listed world records: 220-yd. low hurdles in 22.2 sec. by Dave Sime of Duke in Durham, N. C. May 5 [see p. 72C2]; women's high jump of 5 ft. 8½ in. by Thelma Hopkins, 20, Belfast dental student, in Belfast May 5.

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NCAA Council, meeting in New Orleans May 2, placed Auburn on probation for 3 years and Florida & Louisville on probation for 2 years for violations of rules on financing athletes. Auburn was barred from postseason bowl games for 2 years. [See pp. 56B2, 148F1] . . . **Pacific Coast Conf.** May 6 placed the U. of Washington on probation, barred it from the Rose Bowl & withheld its share of Rose Bowl radio-TV recepits ($26,700 to each PCC school last year) for a period ending July 1, 1958 for violating PCC rules on aid to athletes. [See Vol. XV, p. 404A2] . . . **Natl. Com. on Amateurism in Sports** was set up May 8 by the AAU, NCAA, U.S. Golf Assn., U.S. Lawn Tennis Assn. & U.S. Olympic Assn. with ex-AAU pres. Jeremiah T. Mahoney of New York as chairman to consult on maintaining amateur standards in sports. [See p. 148F1-B2] . . . **Baseball** player trade May 7: pitcher Max Surkont, 33, from Pittsburgh to St. Louis for pitcher Luis Arroyo, 28.

MISCELLANEOUS

Crime. John Gilbert Graham, 24, was convicted May 4 in Denver, Colo. of first-degree murder in the dynamite bombing of an airplane Nov. 1, 1955 which took the lives of his mother & 43 other passengers. Graham submitted an affidavit May 6 declaring his acceptance of the verdict and requesting that his execution in the gas chamber be carried out "with all convenient speed." [See p. 56C3] . . . Tony Todorache Sava, 61, unemployed Rumanian porter, surrendered to New York police May 7 after admitting he had fired a rifle May 5 into a crowd of Orthodox Easter worshipers outside St. Dumitru Rumanian Orthodox Church in New York. Church warden Vasile Cuci, 66, was killed & 5 persons wounded in the shooting. Sava was committed to Bellevue Hosp. for psychiatric examinations. . . . Sing Kee, 57, businessman & civic leader in New York's Chinese community and winner of a DSC, World War I was indicted May 3 by a special federal grand jury in New York on charges of conspiracy to bring 5 alien Chinese to the U.S. under fraudulent passports. [See p. 56F2] . . . Dallas Withers, 33, electrician & father of 6 children, was charged May 2 in Panama City, Fla. with the murder of brothers Douglas Cecil Wilson, 4, & David Earl Wilson, 7. Withers reportedly confessed May 4 that, while drunk, he had taken the brothers for a ride in his motorboat, sexually molested the older one, then thrown both boys overboard. . . . Fareed N. Kiamie, 52 was found guilty May 4 by a federal court jury in New York of having evaded $700,000 in corporate taxes between 1945 & 1947. Kiamie's 2 defunct textile firms (Kiamie Mfg. Co. & Kiamie Fabrics Co.) also were named in the indictment.

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Collision at sea in heavy fog off the Virginia coast May 6 damaged the U.S. battleship *Wisconsin* & destroyer *Eaton* but resulted in no casualties. [See p. 80C3]

Divorced: Actor Henry Fonda, to be 51 May 16, by Mrs. Susan Blanchard Fonda, 27; May 2 in Reno (mental cruelty). [See Vol. XI, p. 12K]

Birthday: Harry S. Truman was 72 May 8. [See pp. 128G3, 140C2]